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Minister of Finance Appoints Expert Panel to Advise on Children's Fitness Tax Credit

Related documents:

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The Honourable Jim Flaherty, Minister of Finance, announced the appointment today of a panel of health and physical-fitness experts to advise on programs of physical activity that should qualify for the children's fitness tax credit proposed in Budget 2006. Plans to establish the panel were announced in Budget 2006.

"Studies show that regular physical activity has many positive effects on children, including balanced growth and development and improved physical fitness," said Minister Flaherty. "At the same time, the escalating costs of organized sports make it difficult for many parents to afford these activities."

The tax credit is proposed to come into force on January 1, 2007. It will apply to fees paid for an eligible program of physical activity for children under 16 years of age.

"The tax credit is an important element in the Government's ongoing investment in sport development and participation," said the Honourable Michael Chong, Minister for Sport. "This is good news for Canadian families."

Panel members, who will receive a salary of $1, will provide advice on the working definition of an eligible program for this credit. This definition will need to take into account the many activities Canadian children pursue, while ensuring that eligible programs meaningfully contribute to children's physical fitness. The terms of reference for the panel are provided in the attached backgrounder.

The panel will be chaired by Dr. Khristinn Kellie Leitch. Dr. Leitch is Chair of Paediatric Surgery at the Children's Hospital of Western Ontario/Schulich School of Medicine and Dentistry. The other two members are Mr. Michael Weil, President and Chief Executive Officer of YMCA Canada and Mr. David Bassett, Senior Investment Executive at Scotia McLeod and co-Chair of Sports Break, an organization that promotes a tax credit for organized youth sports. Biographical notes about the members are attached.

The panel will report to the Minister by October 6, 2006.

Persons wishing to submit views to the panel can do so before September 15, 2006, by writing to the Expert Panel for the Children's Fitness Tax Credit, Tax Policy Branch, Department of Finance, 140 O'Connor Street, Ottawa, ON K1A 0G5, or by writing to the panel's e-mail address at fitnesscredit-creditconditionphysique@fin.gc.ca.

For further information, media may contact:

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Biographical Information

Dr. Khristinn Kellie Leitch, chair:

Dr. Leitch holds a doctorate of medicine from the University of Toronto and a Masters of Business Administration from Dalhousie University in Halifax. Dr. Leitch is Chair of Paediatric Surgery at the Children's Hospital of Western Ontario/Schulich School of Medicine and Dentistry. She is co-director of the Health Sector MBA Program at the Ivey School of Business, University of Western Ontario and Assistant Professor of paediatric orthopaedics at the Schulich School of Medicine and Dentistry at the University of Western Ontario.

Michael Weil, member:

Michael Weil is President and Chief Executive Officer of YMCA Canada. Prior to this appointment in 2002, he served as President and Chief Executive Officer of the YMCA of Greater Montreal. He was also a member of the Joint Steering Committee of the Voluntary Sector Initiative. In a volunteer capacity, Mr. Weil currently is serving on the Board of Directors of Imagine Canada, and has served on a number of Boards and forums related to the voluntary sector, international development and community foundations, including the Greater Montreal Community Foundation.

David Bassett, member:

David Bassett has a long record of achievement in British Columbia for promoting fitness among youth as well as being a leading proponent of tax credits to improve the fitness of Canada's children. He was co-founder of Sports Break an organization set up in BC to raise public awareness of the problems of obesity and lack of exercise among children. As president of the Port Moody Aquarian Swim Club, David Bassett has first hand knowledge that

children do benefit from fitness program activities. Mr. Bassett is currently Senior Investment Advisor at Scotia McLeod in Vancouver.

Expert Panel for the Children's Fitness Tax Credit

Terms of Reference

Regular physical activity has many positive effects on children, including healthier growth and development, and improved physical fitness.

A panel of experts will advise the Minister of Finance on the definition of programs that should be eligible for the children's fitness tax credit proposed in Budget 2006. The definition will need to reflect the broad range of activities engaged in by children in pursuit of physical fitness and, at the same time, ensure that eligible programs meaningfully contribute to children's fitness.

The panel will review the working definition of an "eligible program of physical activity" proposed in Budget 2006, to determine whether it appropriately captures the objective of the credit. This definition is:

> "an ongoing program suitable for children in which substantially all of the activities undertaken include a significant amount of physical activity that contributes to one or more of cardio-respiratory endurance, muscular strength, muscular endurance, flexibility and balance."

In addition, the panel will provide advice on the following specific issues:

- whether an eligible program of physical activity should necessarily include an element of instruction or supervision; and
- whether any changes in the eligibility criteria are required to accommodate programs for children with disabilities.

The panel should ensure that the definition is clear and sufficiently comprehensive to provide guidance for the Canada Revenue Agency in determining the eligibility of specific programs and activities. The panel will be allocated a specific budget and will be required to operate within the budget allotment.

The panel will report its recommendations to the Minister of Finance by letter before October 6, 2006, to allow for the tax credit to be fully implemented on January 1, 2007.

Last Updated: 2006-12-06 Important Notices